19 31

Department of Land Revenue and Settlement

OFFICE Board of Rev.

STATION Chepauk

No.

Dated 16. 2. 31.

	Date	Initial
Given for copying		
Copied		
Examined	17/2/31	
Signed		
Given for despatch		
Despatched		
Indexed	23/2	
To be destroyed on*		

(SUBJECT.)

lease - manganese (Bellary) Hospet taluk - Gunda reserve - Suspension of lease Pathan Khan Saheb & Abdul Aziz Saheb orders passed.

Not to be filled in in the case of permanent records.

C F. 32.

In reply, please quote number, date and short title.*

~~Revenue~~ DEPARTMENT. K 188

Received ..... *Registered* .....

From (Name) A.M.A.C.Galletti Esq., M.A., I.C.S.,

(Designation) Collector of Bellary,

Post Box ....., (Station) Bellary.

Telegraphic Address .....

To The Secretary to the Commissioners,

Board of Revenue, Land Revenue and Settlement,
Madras.

Ref.C. *No.*403/31A.1, *dated* 23-1-31. 192

Sir,

ENCLOSURES .....
(Tam)
.....

SPARE COPIES .....

Mining- Manganese- Hospet taluk- Gunda reserve--suspension of lease- recommended.

Khan Sahib K. Abdul Hye Sahib Bahadur, Bellary holds a thirty year's lease for manganese from 20-1-1927 over a portion of the Gunda Forest Panchayat reserve in Hospet taluk. The grant was approved by the Board in (4) B.P.No. Misc., 2633 dated 15-11-26. Owing to the financial situation and marketing difficulties he now applies for a temporary suspension of the mining lease.

(2) 2. Enclosed is the correspondence (No. D.Dis.6469/30) containing the original petition of the lessee requesting that the Government might be moved to waive dead rent, and also refund dead rent already paid, until such time as the market conditions had improved and my reply. The lessee now applys for the suspension of the lease. A copy of his letter is enclosed. In the circumstances, I recommend that Part VII, paragraph 3, and Parts V and VI of the lease be suspended until further notice from the party with a limit of two years

For Collector.

A.S.N./24-1.

25.1.31

Copy of letter dated 14-1-1931 from Khan Sahib K. Abdul Hye Sahib Bahadur to the Collector of Bellary.

Ref:- Your D.Dis. C.No. 6469/30 dated 26-12-30. ~ (2)

I must in the first place thank you for the sympathetic and businesslike view you have taken of the whole matter in suggesting me to apply for the suspension of the deadrent relating to the Gunda mine under the present circumstances of depression in the manganese trade. The other alternative suggested, namely, to apply for the cancellation of the lease, I submit, would mean a disaster to my firm, in as much as very large investments- something like Rs50,000/- fifty thousand have already been made in this concern and in developing this property, the fruit of which, we still hope to enjoy when better times prevail upon. It is not due to any incapacity to work the mine I have made the request, but, submit that it is the poor quality of the mineral which has been exploited after four years unsuccessful working of the mine. hard work and enormous cost that is responsible for the For that matter I submit that my firm has been engaged in the mining enterprise for the last twelve years and even in the present state of depression we have been successfully working about half a dozen mines for different minerals in this Presidency and elsewhere. This property, resourceful as it is for low grade ore, was handled with very great care and as we were about to find a sale for its out-put, the manganese market unfortunately collapsed beyond its recovery and about three thousand tons of stock is held up at the Pit Head, which cannot be sold at present due to its poor quality. This state of affair I am sure will not last long, as there is bound to be a rise in prices with the advancement of the economic and political conditions of the world.

In regard to your remark that the General Sandur Mining Company, has been able to find a sale for their low grade products inspite of the present depression, I beg to submit that you are not properly informed about the conditions of their business. All their low grade mines at Samandrug and Kanivihalli have been closed down on account of the poor quality which they are unable to sell and they have concentrated their energy on the Kammatheruvu area,

which is the only mine they are working and that produces a higher grade of ore which they are able to sell in the Continent. All the same, I submit, that there can never be a comparison between my poor firm managed by a single soul and the General Sandur Mining Company, which is perhaps, the richest and the biggest mining company in India, controlled by 40 eminent Directors sitting at Home and any stuff that may be sent from here irrespective of its quality will find a sale at their hands as they are men on the spot, who can handle any critical situation arising as a result of depression in the Continental market.

Regarding the question of Silica raised by you, I submit, that its low percentage is appreciated only in high grade ore and this side it is the high percentage of iron contents which is responsible for low manganese percentage. Japan is no doubt in the market for the present, but her demand is only for high grade and she will not accept any thing less than 47% metallic manganese as minimum. We are no doubt supplying Japan at present it is the most difficult job we have undertaken on account of the high quality we are asked to supply. This is costing us enormous expenditure in sorting and cleaning the ore to keep up to our preputation.

Under these circumstances, I submit, Sir, that I have gratefully accepted your suggestion and request you to kindly recommend the suspension of the condition namely condition 3 of part six of the lease deed and to waive off the dead rent during the period of suspension until such time as the market conditions improve and the mine brought to a productive stage when you will be duly informed.

(True Copy)

For Collector.

A.S.N./24-1.

25.1.30

Subject. — 5

R. F. XXII-A-19—89,500. 22-4-30 (8)

FOR MEMBER

Mining - lease - manganese (Bellary) - Hospet taluk - Gunda reserve - Suspension lease - petn. Khan Sahib Sk. Abdul Hye Sahib Bahadur

ASC(SH)

READ AGAIN B. P. No. _____, dated _____ 193/

" " " _____, " _____ 193

READ ALSO :—

Register No. K-188, From the _____, No. _____, dated _____ 193

" " _____, " " _____, " _____, " _____ 193

" " _____, " " _____, " _____, " _____ 193

RESOLUTION. (Mis) No. 570, dated 16-2 1931.

Issue
16.2.'31

The Board approves the Collector's proposal to suspend the lease for a period of two years ~~and~~ The Collector is requested to submit proposals for Cancelling the lease if the lessee does not resume mining operations within the period.

13.2.31
14.2.'31

16-2-31

The Collector of Bellary
in Dcrs 6469/30 A1 dated
26-1-30 rcd.

Please advise action taken
before 28th Feb.

Mining — lease — manganese (Bellary) — proposal to — Kunda reserve — suspension of lease — petition — Khan Saheb K. Abdul Hye Saheb Bahadur

K 188/31

To A.S. (Felt)

Please see the collr's letter at P1 c/f.

The lessee in this case applies for the suspension of the lease held by him till the demand for manganese ore in the market improves and claims exemption from the payment of dead rent during the period of such suspension.

As there is no doubt about the general depression in trade at present, temporary suspension of the lease seems reasonable. The Collector recommends suspension until further notice from the party with a limit of two years. The Local Govt. may exempt a lessee from working a mine if good cause exists and this power has been delegated to the Board.

In the case disposed of in Bd No 274 Misc 18.9.30, time for 1 year was given to resume working a manganese mine in the same Dt (Bellary) and for the same reason as is advanced by the present petr. A similar concession

P1 c/f. Vide Rule 50(VIII) at P80 of Mannl. & clause 3 of Part VII of Standard form P139 of the Manl.

Note under rule(4) at P55 of Do.

(X)

allowing a suspension of the working for 1 year may, it is submitted, be granted in this case also although the Collector recommends exemption for two years. P1 of Inspectors.

The lessee had put in a claim for a refund of the amounts paid by him during the period he had allowed a sub-lessee to work the mine. but the Collector informed him that the claim was unreasonable. He has not reiterated the claim now. P11 of collrs docs 6469/30 (2) Para 1 at P2 of (2)

S M3

6.2.31

As recommended by the Coll. the lease may be suspended for a period of two years and the Coll. asked to submit proposals for cancelling the lease if the lessee does not resume mining operations within that period.

K Rao 7.2.31

D.M/8.2.31.

M3. 10.2.31.

Read from Court 12.2.31

Pl draft 12/2

To Asst. Secy.

Draft. Submitted.

Asst 16.2.31.

BO 13.2.31

14.2.31